

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 17070
[REDACTED]	)	
Petitioner.	)	DECISION
	)	
	)	

---

On October 30, 2002, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable years 1998 through 2000 in the total amount of \$3,973.

The taxpayer filed a timely appeal. He did not request a hearing and did not submit additional information. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The Bureau launched an investigation into the taxpayer's income sources and amounts when Tax Commission records showed the taxpayer, a long time resident of Idaho, had not filed Idaho tax returns for 1998 through 2000. [Redacted] Idaho Code § 63-3045 (1)(a) states:

**63-3045. Notice of redetermination or deficiency -- Interest.** (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau issued a Notice of Deficiency Determination. In response to the deficiency notice,

the taxpayer wrote a letter that stated in its entirety, “This is a letter of protest regarding the notice of deficiency. Those numbers are incorrect due to failure to file and you not knowing my status. Thank you. Sincerely, [Redacted].”

The Bureau sent a letter to the taxpayer that acknowledged the taxpayer’s protest and asked him to follow up with information to support his protest. When the taxpayer did not respond, the Bureau sent a second letter. Again, no response was received and the taxpayer’s file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer appeared to ignore an additional letter advising him of his appeal rights.

Idaho Code § 63-3030 explains the income tax act:

**63-3030. Persons required to make returns of income.** (a) Returns with respect to taxes measured by income in this chapter shall be made by the following:

(1) Every resident individual required to file a federal return under section 6012(a)(1) of the Internal Revenue Code.

(2) Any nonresident individual having for the current taxable year a gross income from Idaho sources in excess of two thousand five hundred dollars (\$2,500), or any part-year resident individual having for the current taxable year a gross income from all sources while domiciled in or residing in Idaho, and from Idaho sources while not domiciled in and not residing in Idaho, which in total are in excess of two thousand five hundred dollars (\$2,500);

The taxpayer met the requirements for filing Idaho income tax returns for 1998 through 2000, yet he has not filed Idaho returns for those three years. Nothing has been submitted that would cast doubt on the Bureau’s determination of tax due, which was calculated after considering income information [Redacted] and records retained by the Tax Commission. The resulting tax was offset by withholding that could be identified. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is

presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated October 30, 2002, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$564	\$141	\$171	\$876
1999	1,185	296	272	1,753
2000	1,002	251	150	<u>1,403</u>
			TOTAL DUE	<u>\$4,032</u>

Interest is computed through June 15, 2003.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayer's right to appeal this decision is enclosed with this decision.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2003.

IDAHO STATE TAX COMMISSION

---

COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that I have on this \_\_\_\_ day of \_\_\_\_\_, 2003, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]  
[Redacted]

[Redacted]